
MSRB Research Examines Trading Patterns in the Municipal Securities Market.

Washington, D.C. — The Municipal Securities Rulemaking Board (MSRB) today published a new research report that examines trading patterns in the municipal securities market. The analysis reviews the fragmentation in the market and the depth and breadth of data available to market participants.

“While there are nearly a million securities outstanding in the municipal securities market today, only about 2% of those securities traded on an average day in 2023, while only 1% traded in 2021,” said Marcelo Vieira, MSRB Senior Director of Research and Market Transparency. “This is important information for market participants to be aware of as they navigate this unique market.”

The MSRB’s analysis reviewed municipal securities trade data from two contrasting years, 2023, which had record-high trade count, and 2021, which had a record-low number of trades. The report reveals that about two-thirds of the securities that trade on an average day do so only once or twice. Additionally, almost 40% of the trades that occur on an average day have no prior trades in that security on the same day. This means that investors may have limited information to reference at the time of trade for the security they want to buy or sell.

“With a limited number of trades per individual bond, and a small percentage of outstanding securities trading daily, investors may want to review similar securities to inform their investment decisions,” said Vieira.

In the report, the authors note that the municipal market is heavily reliant upon market tools such as yield curves and evaluated pricing to function efficiently. Often the entities that provide these market tools eliminate trades smaller than $500,000 or even $1 million from consideration. This means that many of the market tools market participants may rely upon are based on only 4-6% of the trades reported to the MSRB.

The MSRB offers free access to several municipal yield curves and other investor tools on its MSRB’s Electronic Municipal Market Access (EMMA®) website. One of the most used tools is one that allows users to compare different securities.

Read the report.

Date: March 05, 2024

Contact: Aleis Stokes, Chief External Relations Officer
202-838-1500
astokes@msrb.org

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com